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James L. Oberstar

H.R. ____, THE PRE-DISASTER MITIGATION ACT OF 2009

HON. JAMES L. OBERSTAR

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES
March 26, 2009

Madam Speaker, I rise today in strong support of H.R.____, the "Pre-Disaster Mitigation Act of 2009", a bill to reauthorize the Federal Emergency Management Agency's ("FEMA") Pre-Disaster Mitigation ("PDM") program, a program to help communities across the nation protect against natural disasters and other hazards. I thank Ranking Member Mica, and the gentlewoman from the District of Columbia (Ms. Norton) and the gentleman from Florida (Mr. Diaz-Balart), Chair and Ranking Member of the Subcommittee on Economic Development, Public Buildings, and Emergency Management, for joining me in sponsoring this bill.

The Pre-Disaster Mitigation program provides technical and financial assistance to state and local governments to reduce injuries, loss of life, and damage to property caused by natural hazards. Examples of mitigation activities include the seismic strengthening of buildings, acquiring repetitively flooded homes, installing shutters and shatter-resistant windows in hurricane-prone areas, and building "safe rooms" in houses and buildings to protect people from high winds.

Action on this bill today is crucial because, under current law, the Pre-Disaster Mitigation program will sunset on September 30, 2009. Therefore, Congress must take quick action to continue this vital program.

In 1988, the Committee on Transportation and Infrastructure authorized FEMA's Hazard Mitigation Grant Program. This effective program provides grants to communities to mitigate hazards, but only provides grants to "build better" after a disaster. At the time, no program existed to help communities mitigate risks from all hazards before disaster strikes.

In the 1990s, under the leadership of FEMA Administrator James Lee Witt, FEMA developed a pre-disaster mitigation pilot program known as "Project Impact". Congress appropriated funds for Project Impact in each of fiscal years 1997 through 2001. The Committee on Transportation and Infrastructure first authorized the current Pre-Disaster Mitigation program in the Disaster Mitigation Act of 2000.

The PDM program reduces the risk of natural hazards, which is where the preponderance of risk is in our country. The devastating ice storms that struck the middle of the United States (including Missouri, Tennessee, Oklahoma, Arkansas, and Kentucky) earlier this year and the floods currently on the Red River in the Midwest are examples of the tragic, real impact of natural disasters that occur in our nation every year. Over the last decade, natural disasters have cost our nation an average of nearly $30 billion per year.

Mitigation has been proven to save money. Studies by the Congressional Budget Office and National Institute of Building Sciences show that for every dollar spent on pre-disaster mitigation projects, future losses are reduced by three to four dollars. In 2005, the Mutihazard Mitigation Council, an advisory body of the National Institute of Building Sciences, found "that a dollar spent on mitigation saves society an average of $4." The Council found that flood mitigation measures yield even greater savings. According to a September 2007 CBO report on the reduction in Federal disaster assistance that is likely to result from the PDM program, "on average, future losses are reduced by about $3 (measured in discounted present value) for each $1 spent on those projects, including both federal and nonfederal spending."

While empirical data is critical, perhaps more telling are real-life mitigation "success stories". One of the best examples of mitigation is the town of Valmeyer, Illinois. The town was devastated by the great flood of 1993. With $45 million in Federal, state, and local funding, the town relocated to bluffs 400 feet above the site of the former town. When faced with floods last year, the residents of that town were out of harm's way, as the Chicago Tribune reported in a story aptly titled "Valmeyer Illinois – Soaked in '93, Town now High and Dry". The June 19, 2008 story quotes an 86-year old resident named Elenora Anderson. Her home was destroyed by the 1993 flood but as she said, "I'm sure glad I don't have to worry now that we're high enough here on the hill."

This month, we have seen the citizens of North Dakota and my home state of Minnesota damaged by floods. Many of these same communities were devastated by floods in 1997. However, because of mitigation after the 1997 floods, the communities face far less risk. Even before this year's floods, mitigation investments had paid off. For example, in Grand Forks, after the 1997 floods, FEMA spent $23 million to acquire vulnerable homes in the flood plain. In 2006, a flood came within two feet of the 1997 flood level, and according to FEMA, the 1997 mitigation investment saved $24.6 million. That investment represents a return of 107 percent after just one flood.

Another success story comes from Story County, Iowa. There, six homes that had been flooded in 1990, 1993, and 1996 were bought out with $549,662 in FEMA mitigation grants. In

1998 when a flood struck again, FEMA estimates that $541,900 in damages to the homes was avoided. This mitigation project paid for itself in just one flood, and the estimated savings do not include the costs of warning, rescue, or evacuation.

Mitigation is an investment. It is an investment that not only benefits the Federal Government, but state and local governments as well. Projects funded by the PDM program reduce the damage that would be paid for by the Federal Government and state and local governments in a Major Disaster under the Stafford Act. However, mitigation also reduces the risks from smaller, more frequent, events that state and local governments face every day, as not every storm, fire, or flood warrants the assistance of the Federal Government.

The Pre-Disaster Mitigation program, through property improvements, takes citizens out of harms way, by elevating a house, or making sure a hospital can survive a hurricane or earthquake. In doing so, it allows first responders to focus on what is unpredictable in a disaster rather than on what is foreseeable and predictable.

H.R. ____ reauthorizes the PDM program for three years, at a level of $250 million for each of fiscal years 2010 through 2012. The bill increases the minimum amount that each State can receive under the program from $500,000 to $575,000, and codifies the competitive selection process of the program as currently administered by FEMA.

The bill also eliminates the existing sunset in the program. As the evidence clearly shows, this program works well and is cost effective. It should no longer be treated as a pilot program with a sunset. Rather, state and local governments should have the certainly of knowing this program will be available in the future so they can conduct vital longer-term mitigation planning.

Last year, the House passed a virtually identical bill, H.R. 6109, but the other body did not take action on this bill. While a one-year extension was included in the Department of Homeland Security Fiscal Year 2009 Appropriations Act to keep this vital program alive, Congress must act. If we do not, this worthy program will sunset on September 30, 2009.

I urge my colleagues to join me in supporting H.R.____, the "Pre-Disaster Mitigation Act of 2009".